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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/828,731	04/09/2001	Marc Alaia	46700-5004-12	8904

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EXAMINER

PATEL, JAGDISH

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 09/16/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

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Office Action Summary

Application No.

09/828,731

Applicant(s)

ALAIA ET AL.

Examiner

JAGDISH N PATEL

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 24 June 2003.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 89,92,93,95-99,102,103,105-108,138-140,144-151 and 153-158 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☐ Claim(s) 89,92,93,95-99,102,103,105-108,138-140,144-151 and 153-158 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 8,9. 6) ☐ Other: _____

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DETAILED ACTION

1. This communication is in response to amendment filed 6/26/03.

Response to Amendment

2. Claims 94, 104, 109-115, 117-125, 128, 129, 141-143, and 152 have been deleted and claims 89, 95-99, 105-108, 138, 140, 151 and 153-154 have been amended per request. Applicant has not requested that claim 127 be deleted. However, in view of the amendment which omits it from the pending claims, the examiner has assumed that this claim is deleted. Applicant is requested to cancel claim 127 formally.

3. Claims 89, 92-93, 95-99, 102-103, 105-108, 138-140, 144-151 and 153-158 are presently under consideration. (

Response to Arguments

4. Applicant's arguments regarding rejection of claims 89, 92-99, 102-115, 117-118, 138-150 and 159-162 under 35 U.S.C. 101 have been fully considered but they are not persuasive. See Claim Rejections - 35 USC § 101 below. Therefore, rejection of the aforementioned claims under 35 USC § 101 is maintained.

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5. The applicant refers to p. 29, lines 13-14 of the specification in support of the limitation "the first time interval" not equal to "second first time interval".

6. It is clear that the cited part of the specification has no relationship to the first and the second time intervals as the applicant asserts, much less it explicitly recites the claimed feature. The examiner, has assumed that the applicant meant p. 23 and the same lines, where the specification discloses the claimed feature. Accordingly the examiner has withdrawn rejection of claims 149 and 152 under 35 USC § 112, first and corresponding objection to the specification.

7. The applicant's amendment has not resolved the indefiteness rejection of (now amended) claims 89, 92-93, 95-99, 102-103, 105-108 under 35 USC § 112, second.

The indefiteness arises from the lack of relationship of the method steps (a) defining a first time interval..(b) determining whether the first overtime condition occurs..and (c) extending the first closing time.. with the sponsor and the bidder being coupled electronically as claimed. These method steps can be performed independent of whether the sponsor and the participating bidder(s) are electronically coupled or not.

Therefore, the rejection of the aforementioned claims, under 35 USC § 112, second as being indefinite stand rejected.

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8. Applicant's arguments with respect to (now pending and amended) claims 89, 92-93, 95-99, 102-103, 105-108, 138-140, 144-151 and 153-158 have been considered but are moot in view of the new ground(s) of rejection.

Statute Cited in Prior Action

9. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

Claim Rejections - 35 USC § 101

10. Claims 89, 92-93, 95-98, 138-140 and 144-150 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The invention as recited in the claims is merely an abstract idea that is not within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) *that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts"* (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. Applicant is requested to consult USPTO, Board of Patent Appeals and Interferences ruling *Ex Parte Bowman*, 61 USPQ2d 1669 (Unpublished) decided June 12, 2001.

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The aforementioned claims recite a method to control overtime in an electronic auction. However, steps (a)-(c) fail to recite any technological implementation.

Mere stating "electronic auction" and reciting "electronic network" without specifying which (if any) method steps are being performed electronically or as being computer implemented renders all method steps (a)-(c) outside of technological art. The recitation that the sponsor of the auction and at least one bidder are coupled electronically over a communication does not cure this deficiency because none of the recited steps (a)-(c) relate to the sponsor or the "at least one bidder". In other words, method steps (a)-(c) may be performed without any technology and independent of the communication arrangement of auction recited in the claims.

For the reasons cited above the aforementioned claims are rejected as being non-statutory under 35 USC § 101.

Claim Rejections - 35 USC § 112

11. Claims 89, 92-93, 95-99, 102-103, 105-108 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

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As an example of the cited deficiency, claim 89 is discussed. Similar analysis also applies to independent claim 99. Dependent claims inherit deficiency of their respective parent claims.

Claim 89 recites "wherein an auction sponsor and at least one bidder are coupled electronically over a communication network during the auction". This limitation has no relationship to any other limitation recited in the claim and therefore renders the claimed invention(s) indefinite.

Please refer to "Response to Arguments" for further explanation.

Claim Rejections - 35 USC § 103

12. Claims 89, 92-93, 95-99, 102-103, 105-108, 138-140, 144-151, and 153-158 are rejected under 35 U.S.C. 103(a) as being unpatentable over Newsbyte as ~~applied to claims above~~, and further in view of Ervin, Keith; Three Tree Point Property Draws 1.5 Million Bid, Seattle Times, Feb 11, 1998 (Ervin).

Claim 89: Newsbyte discloses a method to control overtime in an overtime auction (online auction - tile), comprising:

(a) defining a first time interval ..during which bids are submitted to the auction for a first lot defined at least in part by a buyer ("...between three and fourteen days including

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"the final ten minutes", assumed now on that this is 3 days), a second time interval (the auction is extended in "ten-minute increments", the second time interval amounts to 3 days plus 10 minutes (one increment)), a first overtime condition (any bidding occurring in the final ten minutes), and a first closing time..(3 days after the start of the auction), wherein the first closing time is defined as a specific scheduled closing time (..any bidding occurs in the final ten minutes);

(b) determining whether the first overtime condition occurs during the first time interval (any bidding occurring in the final ten minutes of the first time interval);

(c) extending the first closing time using the second time interval in accordance with the determination (the "initial" closing time of 3 days is extended by second time interval to 3 days and 10 minutes);

wherein the a sponsor of the and ..bidder participating in the auction are coupled over a communication network during the auction(Excite auction is "online" excite being a sponsor);

wherein the first closing time corresponds to an end of the first time interval if the first closing time is not extended in step (c) (first time interval is 3 days which is the first closing time), and ... corresponds to an end of the second time

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interval if first time interval is extended (auction is closed in 3 days plus 10 minutes if extended).

byte fails to teach that the first lot is defined in part by a buyer and that the first overtime condition comprises receiving at least one behind market bid for the first lot. Ervin, in the same field of endeavor teaches a method of auction wherein auction is extended when an overtime condition (higher bids made) occurred during a first time interval (Jan 12 - Feb 2) when at least one higher bid was received. Ervin applies the concept of extending the first time interval based upon an "market leading" bid because in Ervin the auction is in the typical "seller driven" format. Extending the first time interval therefore is aimed to benefit the seller who desires to sell his product at the maximum price (and hence extending the auction time in the event that a "market leading" bid is received).

Official notice is taken that "buyer driven" auctions are old and well known. In this format of the auction a buyer defines a lot or the item to be auctioned. It would have been obvious to one of ordinary skill in the art at the time of the invention to apply the Newsbyte concept of extending the first closing time using the second closing time which is disclosed for a "seller driven" auction to a "buyer driven" auction

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(wherein a buyer defines a lot to be auctioned and the buyer desires to buy the item(s) at the lowest price from a plurality of sellers) such that an overtime condition which comprises receiving at least one behind the market bid (a bid lower than the lowest bid received during the first closing time) is analogous to the market leading bid (a bid higher bid than the highest bid received during the first closing time) suggested in Ervin, because extending the auction (first closing time) to a new closing time would allow the auctioneer to continue the auction such it would benefit the entity offering the product or services, i.e. seller in the in the seller driven auction or the buyer in the buyer driven auction.

Claim 92. second time interval varies during the auction (the auction is extended in 10 minute increments, however, at the discretion of the auctioneer this may be changed to any other time amount).

Claims 93, 95-98: (exemplary analysis) overtime extension is triggered if the submitted bid is better than a current best bid.. (any bidding occurring in the final ten minutes inherently considers various factors recited in the present claims. A person of skilled in the art would appreciate that a plurality of conditions are appropriate for triggering extension of the auction because the purpose of the auction is to optimize the

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administration of auction in consideration of time constraints and providing for maximum benefit to the sellers).

The Newsbyte fails to explicitly disclose various criteria for triggering the overtime extension stated in claims 94-97. It would have been an obvious matter of design choice to apply one or more condition related to the submitted bid (within a predetermined amount of another bid as an example per claim 95) or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine such knowledge with the relevant teachings of the cited reference.

All limitations of claims 99 and 102-108 have been analyzed as in corresponding method claims 89 and 92-97. Note that Newsbyte applies to on-line auction and therefore, computer readable medium is inherent in Newsbyte.

All limitations of claims 138-140 and 144-145 have been analyzed in claims 89, 92-93, 95-98 as discussed previously.

Per claim 146, the second time interval (3 days + 10 minutes) extends to a second closing time (start time plus (3 days + 10 minutes) instead of 3 days from the start) further comprises:

Defining a third time interval (third time interval = 3 days + (2 times) 10 minutes), a fourth time interval (fourth time interval = 3 days + (3 times) 10 minutes) a second overtime

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condition..(any bidding occurring in last ten minutes of any interval), the third time interval not being equal to the fourth ..(this is obvious from the above explanation);

Determining whether the second overtime condition occurs during the third time interval (the auction is extended in ten-minute increments in response to any bidding occurring in the final ten minutes);

Extending the second closing time by the fourth time interval in accordance with the second determination (the second closing time 3 days plus 10 minutes from the start of the auction is extended to further 10 minutes and so on).

Per claims 147-150 Newsbyte teaches all limitations of claim 147, 148 and 150. Note that first time interval is 3 days, second time interval is 10 minutes before scheduled closing and second time interval is 10 minute, which is extension time.

All limitations of claim 150 are analyzed as per claim 146.

Claim 151: all limitations have been analyzed in accordance with corresponding method claim 89. Note that because Newsbytes discloses an on-line (i.e. internet based) auction, machine-readable medium is inherent therein.

Claim 153. overtime occurs when an amount of the at least one behind market bid is within at least predetermined amount..of another bid (there is no tradeoff for the offerer to

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extend the auction if the new higher bid received is only numerically higher, which would not justify extending the auction due to cost of associated with extending the auction).

Claim 154. "any bidding occurs" include limitation amount of bid as per claim 153 and "bid is submitted by an incumbent supplier".

Claims 155, 157 and 158 have been analyzed per claims 151 and 147-149 as above.

Claim 156: wherein the overtime triggering interval equals the extension time interval (byte, final ten minutes is overtime triggering interval and ten minutes is extension time interval)

Conclusion

13. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened

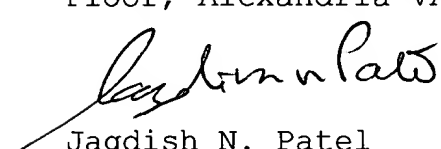
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statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jagdish Patel whose telephone number is (703) 308-7837. The examiner can normally be reached Monday-Thursday from 8:00 AM to 6:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin, can be reached at (703) 308-1038. The fax number for Formal or Official faxes to Technology Center 3600 is (703) 305-7687. **Draft faxes may be submitted directly to the examiner at (703) 746-5563.**

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113 or 308-1114. Address for hand delivery is 2451 Crystal Drive, Crystal Park 5, 7th Floor, Alexandria VA 22202.


Jagdish N. Patel

(Examiner, AU 3624)

9/10/03